

are irrelevant in the integration analysis." Sarasota - Charlotte Broadcasting Corp., FCC 90R-53, released June 27, 1990, at para. 12.

Pueblo Radio, 5 FCC Rcd at 4830-4831. Of course, the Court of Appeals for the District of Columbia Circuit subsequently held the integration criteria to be arbitrary and capricious and therefore unlawful. Bechtel v. FCC, 10 F.3d 875 (D.C. Cir. 1993). Consequently, whatever little relevance this case may have had seven years ago, it can be of no relevance at all within the context of a present day rulemaking proceeding.

5. In sum, a full reading of Pueblo Radio reveals that Mr. Henderson actually won the case and that the Review Board upheld his conduct. To the extent that dicta in the case questioned Mr. Henderson's integration commitment, integration itself has since been declared unlawful. Therefore, Guaranty's citation is wholly out-of-context and represents a new low in advocacy before the Commission.

2) Guaranty's Track Record In This Proceeding

6. Guaranty itself has behaved curiously throughout these rulemakings. It has complained that it was not served with a Petition for Rulemaking when such service was never required by any Commission Rule and Guaranty could not point to a single reason why it should have been served.⁷ Nevertheless, it was Guaranty that failed to promptly serve its Amelia pleading on counsel. It is further noted that Guaranty failed to file a timely comment in the

⁷ See, Comments of Guaranty Broadcasting Corporation in MM Docket No. 97-8 (Amealia, Louisiana), p. 1. Par. 1.

Amelia proceeding, thereby losing whatever rights it thought it possessed.

Against this background, it has become evident that it is not Mr. Henderson's motives that are suspect, but Guaranty's. What it has done in the Amelia proceeding is attempt to block the award of a first local FM facility to the community of Amelia, just because it failed to timely file an upgrade for its Homa faculty.

7. In conclusion, Guaranty's slipshod behavior in these proceedings is wholly self-seeking and of no public interest value. The Commission should send a strong message to Guaranty and others like it that such conduct will not be tolerated, lest its allocation proceedings become a farce of innuendo, misquoted cases and undisciplined pleading practices.

B. Guaranty Misstates The Facts

8. It is important to remember that Guaranty has not claimed that either Amelia Broadcasting or TRL Broadcasting has violated any rule or regulation. At most, Guaranty has charged Mr. Henderson with having "an alternative agenda".⁸ From a factual standpoint, Guaranty's pleading is equally vague and misleading.

9. Guaranty fails to mention the fact that Mr. Henderson was asked to attend the March 7, 1996 meeting at the invitation of Guaranty's president,

⁸ Comments, p. 2, n. 1. It is Guaranty that has needlessly consumed the Commission's resources with a half-hearted rulemaking agenda. See, Houma and Chalmette, Louisiana, 7 FCC Rcd 2189 (1992) (Guaranty withdraws modification of Station KCIL-FM after opposition filed by competitor).

George A. Foster, Jr.⁹ It turns out that Mr. Foster was seeking to have Mr. Henderson purchase KCIL for \$6,000,000.00.¹⁰ Mr. Henderson agreed to meet with Mr. Foster and Guaranty's principals with the understanding that Guaranty was proceeding on a good faith basis to sell one or more of its broadcast properties.¹¹

10. In the course of this discussion, Mr. Henderson's outstanding rulemaking petitions for Amelia and Tylertown arose.¹² There is nothing inappropriate about discussing these proceedings in the context of purchasing other stations in the same market. Indeed, it would have been highly inappropriate if Mr. Henderson had concealed these interests. Moreover, if Mr. Henderson were successful in purchasing a station in the market from Guaranty, it would stand to reason that he would withdraw his participation from one or both of the proceedings.

11. As to the substance of the discussion, Mr. Henderson could not accept Guaranty's offer of \$6,000,000.00. Guaranty wanted to sell only the shell of a broadcast facility.¹³ Guaranty would have taken the call letters, the accounts and even the station's format by virtue of an agreement not to

⁹ Mr. Foster called Mr. Henderson to invite him to the meeting. Declaration of Roy E. Henderson (attached hereto as Exhibit 3) , p. 1, Par. 2.

¹⁰ Declaration of Roy E. Henderson, p. 1, Par. 3.

¹¹ Declaration of Roy E. Henderson, p. 1, Par. 4.

¹² Id.

¹³ Declaration of Roy E. Henderson, p. 2, Par. 6.

compete.¹⁴ In view of these onerous terms, Mr. Henderson's \$2,000,000.00 counteroffer was appropriate.

12. Mr. Henderson has over 25 years of experience as a Commission licensee and has an unblemished record before the Commission.¹⁵ He has been involved in many broadcast negotiations over the years.¹⁶ In fact before entering into substantive discussions with Guaranty, Mr. Henderson obtained the verbal agreement of all concerned that these talks would be considered confidential.¹⁷ It is disappointing that Guaranty has failed in this regard to conduct itself in good faith.

13. In sum, Guaranty has attempted to twist what appeared to be a good faith business meeting into some sort of diabolical scheme. However, if Guaranty is accusing Mr. Henderson of seeking a buy-out, that cannot be. It was, after all, Mr. Henderson who was being asked buy out Guaranty's broadcast interests. In any event, Guaranty has grossly distorted the truth and only Mr. Henderson has produced a corroborating witness.¹⁸ Consequently, it is abundantly clear that Guaranty's pleadings are entirely without merit.

¹⁴ Id.

¹⁵ Declaration of Roy E. Henderson, p. 1, Par. 1.

¹⁶ Declaration of Roy E. Henderson, p. 1-2, Par. 5.

¹⁷ Id.

¹⁸ Declaration of Susan Dixon Phillips (Exhibit 4).

**III. TRL BROADCASTING'S INTENTION TO APPLY FOR THE CHANNEL
AND CONSTRUCT THE STATION**

14. If the Commission assigns Channel 297A to Tylertown, Mississippi, TRL Broadcasting will apply for a construction permit and will construct a new facility upon award of that permit.

IV. CONCCCLUSION

15. Guaranty has engaged in a pointless campaign of innuendo. Nevertheless, Guaranty itself fails to claim that any Commission Rule was violated in either letter or spirit. It's allegations are trumped up and irrelevant and are of no value to either this proceeding or to the Amelia proceeding. Therefore, the Commission should treat Guaranty's Comments accordingly and summarily dismiss these pleadings from the record.

WHEREFORE, in accordance with the above, TRL Broadcasting Company respectfully requests that the Comments filed by Guaranty Broadcasting Corporation be dismissed and Channel 297A be assigned to Tylertown, Mississippi.

April 15, 1997

Law Offices of
Henry E. Crawford, Esq.
1150 Connecticut Avenue, N.W.
Suite 900
Washington, D.C. 20036
(202) 862-4395

Respectfully Submitted,

TRL Broadcasting Company

By: 
Henry E. Crawford

Its Attorney

TRL Broadcasting Company
Reply Comments
April 15, 1997

EXHIBIT 3

DECLARATION

I, Roy E. Henderson, sole proprietor of Amelia Broadcasting and TRL Broadcasting Company, under penalty of perjury, hereby state and declare the following:

1. I am a broadcaster with over 25 years experience as a Commission licensee. My record before the Commission as an applicant and licensee is without blemish.

2. Sometime in early March or late February of 1997, I received a telephone call from Mr. George A. Foster, Jr. The purpose of the call was to invite me to a meeting to take place on March 7, 1997 in Baton Rouge, Louisiana.

3. I agreed to attend the meeting with the understanding that Guaranty Broadcasting Corporation ("Guaranty") wished to sell me one or more of its broadcasting properties. Mr. Foster expressed his interest in selling KCIL-FM, Houma, Louisiana for \$6,000,000.00.

4. At the March 7, 1997 meeting, I engaged in what appeared at the time to be good faith negotiations involving Guaranty's broadcast properties. As our substantive talks progressed, I raised the topic of the Amelia and Tylertown rulemaking proceedings, which had been ongoing for several months prior to the meeting. The purchase of any one of the FM stations would impact those requested allocations. If I were able to purchase an existing broadcast property in the relevant market, this would obviate the need to seek an allotment.

5. Having been involved in several broadcast negotiations in the past, I specifically requested, and Guaranty verbally agreed, that the substance of our

talks would remain confidential. The purpose of the confidentiality request was to allow us to speak freely and explore all avenues to resolve the issues.

6. Guaranty explained at the meeting that it wanted to sell KCIL-FM as an empty shell of a station. As I understood Guaranty's position, it would sell me the equipment and the license, taking with it the call letters, the accounts and all of the station's good will. I would even be barred from using the same format under the terms of an agreement not to compete. Given the conditions of the sale as outlined by Guaranty, I could only offer \$2,000,000.00 for the station.

7. I have reviewed the pleadings filed by Guaranty in the Amelia and Tylertown proceedings. I am dismayed that Guaranty and its counsel have chosen to distort the facts. I only agreed to attend the meeting with the understanding that we were to engage in good faith business negotiations. I believe that that good faith has been violated by the documents filed by Guaranty.

The above statements of fact are true and correct to the best of my own personal knowledge and belief.

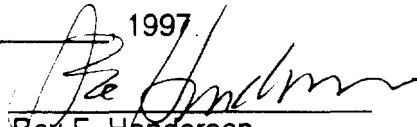
Signed and dated this 15th day of April 1997.

Roy E. Henderson

EXHIBIT B

Declaration of George A. Foster, Jr.

I, George A. Foster, Jr., under penalty of perjury, hereby declare as follows:

1. I am Chairman of the Board and Chief Executive Officer of Guaranty Corporation ("Guaranty"), headquartered in Baton Rouge, Louisiana. Guaranty is the parent company of Guaranty Income Mortgage Company; Guaranty Income Life Insurance Company; Pearl Broadcasting, Inc. ("Pearl"); and Guaranty Broadcasting Corporation ("GBC"). Pearl is the licensee of Radio Stations WFPR(AM), Hammond, Louisiana; WHMD(FM), Hammond, Louisiana; WBEX(AM), Chillicothe, Ohio; and WKKJ(FM), Chillicothe, Ohio. GBC is the licensee of Radio Stations WDGL(FM) [formerly WGGZ(FM)], Baton Rouge, Louisiana; WXCT(FM) [formerly WTGE(FM)], Baton Rouge, Louisiana; WTGE(FM) [formerly WBBU(FM)], Baker, Louisiana; KJIN(AM), Houma, Louisiana; and KCIL(FM), Houma, Louisiana. Pearl and GBC are also the members of Guaranty Broadcasting Company of New Orleans, LLC, which is the licensee of WKSJ(FM), Picayune, Mississippi. Previously, and for more than two decades, GBC was also the licensee of WAFB-TV, Channel 9, the CBS affiliate in Baton Rouge.

2. I have been with Guaranty since 1949. I have been Chairman and Chief Executive Officer of Guaranty Corporation and Guaranty Income Life Insurance Company since 1968 and 1961, respectively. I am also President of Foster Investment Corporation whose primary business is the management of approximately 4,000 acres of timberland.

3. On October 8, 1996, an application was filed with the FCC seeking consent to the assignment of the license of WTGE, Baker, Louisiana, to GBC. GBC's goal in acquiring WTGE was to upgrade the station from Class A to Class C3 facilities. Prior to filing the assignment application, GBC carefully developed its plans for upgrading the station shortly after its

acquisition. These plans included the relocation of the transmitter site for WHMD in order to resolve a potential short-spacing problem with the upgraded WTGE facilities.

4. On October 23, 1996, a person identified as Roy Henderson contacted me by telephone and expressed an interest in acquiring KCIL, GBC's FM station in Houma, Louisiana. Prior to the call on that date, I personally had no previous contact with or knowledge of Mr. Roy Henderson. Moreover, the call was not, to the best of my knowledge, solicited by anyone else. We nevertheless arranged for a personal meeting on November 7, 1996 to discuss his proposal.

5. On November 7, 1996, Mr. Henderson visited Guaranty's offices in Baton Rouge, Louisiana. Mr. Henderson and I met alone, with no other Guaranty official present. The session was very short, more in the nature of a "get-acquainted" meeting. I told Mr. Henderson that I had never entertained the idea of selling any of Guaranty's stations, but was curious to meet him because he was the second person that had recently expressed an interest in buying KCIL. I told Mr. Henderson that I would talk to the other officials of Guaranty regarding KCIL and that he could, if he wished, contact us at a later date. Mr. Henderson said that he would stay in touch.

6. On December 10, 1996, Mr. Henderson again visited Guaranty's offices in Baton Rouge, Louisiana, and, on that occasion, met with me and Greg Herpin, the General Manager of several of Guaranty's radio stations. Mr. Henderson's son was also present at that meeting.

7. At the outset of the December 10, 1996 meeting, Mr. Henderson indicated that he was still interested in acquiring KCIL so as to move its facilities closer to the New Orleans market and program Spanish music. Mr. Henderson then advised us that he was aware of Guaranty's plans to relocate WHMD's transmitter site and upgrade WTGE from Class A to Class C3 facilities. Mr. Henderson also mentioned that he was in the process of applying for new FM

allotments at Amelia, Louisiana, and Tylertown, Mississippi. He described his plan to use the Amelia allotment as a means for moving a signal into the New Orleans market. Mr. Henderson's plan, as I understood it, involved obtaining the proposed allotments and then persuading the licensee of Tylertown's existing FM station to change channels from Channel 249A to the new allotment, Channel 297A, thereby clearing the way for the Amelia station to upgrade its facilities from Channel 249C3 to 249C. Mr. Henderson noted that a new Amelia station resulting from his proposed change in the FCC's FM allotment table could adversely impact KCIL's competitive posture in the Houma market.

8. Mr. Henderson brought several engineering maps to the December 10, 1996 meeting. One of the maps detailed what the contours of WTGE would look like as a Class C3 facility. The other maps showed the likely contours of new stations operating pursuant to the proposed Amelia and Tylertown allotments. Mr. Henderson also brought certain spacing studies to the meeting showing how the Tylertown allotment would block an upgrade of WTGE.

9. Mr. Herpin asked Mr. Henderson what price he had in mind for the sale of KCIL. Mr. Henderson responded by asking what the purchase price was of the last FM station sold in New Orleans. Mr. Herpin told him that an FM station in Houma had recently sold for \$6.75 million. Mr. Henderson then suggested that the foregoing sales price might be a starting point for negotiations for KCIL.

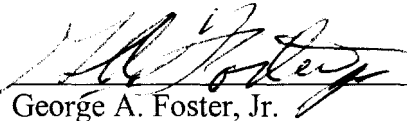
10. Mr. Herpin and I then concluded the meeting by advising Mr. Henderson that we would discuss the KCIL matter with other Guaranty officials. Mr. Henderson said that he would get back in touch with us.

11. On March 7, 1997, Roy Henderson again visited Guaranty's offices in Baton Rouge, Louisiana. In addition to Greg Herpin and myself, who had met with Mr. Henderson on December 10, 1996, this meeting was attended by Randy Kendrick, the Treasurer of Guaranty; and A. Bridger Eglin, the President of Guaranty. A female companion of Mr. Henderson was also in attendance.

12. At the outset of the March 7, 1997 meeting, Mr. Henderson advised us again that he was in the process of applying for new FM allotments at Amelia, Louisiana, and Tylertown, Mississippi. He also reiterated his plan to use the Amelia allotment as a means for moving a signal into the New Orleans market.

13. After laying out his strategy for Amelia and Tylertown, Mr. Henderson indicated that he knew of Guaranty's plans to upgrade WTGE from Class A to Class C3 facilities and that his proposed allotment at Tylertown would prevent Guaranty from going forward with those plans. Mr. Henderson also seemed to imply that the Amelia allotment could adversely impact KCIL's competitive posture in the Houma market. Mr. Henderson then advised us that he wanted to acquire KCIL and urged us to set a price. I threw out a "tongue-in-cheek" figure of \$8 million. Mr. Kendrick, as I recall, eventually volunteered a possible price of \$6 million. Mr. Henderson counter-offered with a price of \$2 million. At some point in the discussion, Mr. Henderson indicated that he would not go forward with the Amelia and Tylertown allotments if

he could get KCIL at a highly favorable price. There were further exchanges, but the meeting ended with no additional substantive discussion.



George A. Foster, Jr.

Dated: February 9, 1998

EXHIBIT C

Declaration of A. Bridger Eglin

I, A. Bridger Eglin, under penalty of perjury, hereby declare as follows:

1. I am the President and Chief Administrative Officer of Guaranty Corporation ("Guaranty"), the parent company of Guaranty Broadcasting Corporation ("GBC") and Pearl Broadcasting, Inc. ("Pearl"). GBC is the licensee of WTGE(FM) [formerly WBBU(FM)], Baker, Louisiana; WDGL(FM) [formerly WGGZ(FM)], Baton Rouge, Louisiana; WXCT(FM) [formerly WTGE(FM)], Baton Rouge, Louisiana; KCIL(FM), Houma, Louisiana; and KJIN(AM), Houma, Louisiana. Pearl is the licensee of Radio Stations WFPR(AM), Hammond, Louisiana; WHMD(FM), Hammond, Louisiana; WBEX(AM), Chillicothe, Ohio; and WKKJ(FM), Chillicothe, Ohio. I am also the President of Guaranty Income Life Insurance Company.

2. Prior to joining Guaranty in January 1997, I spent 27 years in the banking industry, most recently as President and Board Member of Hancock Bank of Louisiana (1991 - 1996). Prior to that, I was First Assistant to the Secretary of State of Louisiana and Commissioner of Financial Institutions (1989 to 1991). From 1981 to 1988, I held several positions at Baton Rouge Bank & Trust Company, including President, Executive Vice President and Executive Director. From 1967 to 1981, I served in various capacities at American Bank & Trust Company, including Senior Vice President and Secretary to the Board.

3. On March 7, 1997, I participated in a meeting in Guaranty's offices in Baton Rouge, Louisiana, with a Mr. Roy Henderson, someone I had never previously encountered. The meeting took place in our third floor conference room. Also representing Guaranty at that meeting were George A. Foster, Jr., the Chairman and Chief Executive Officer of Guaranty; Randy Kendrick, the Treasurer of Guaranty; and Greg Herpin, the General Manager of several of

Guaranty's radio stations. Also present was a female companion of Mr. Henderson, who identified herself as being from Liverpool, England.

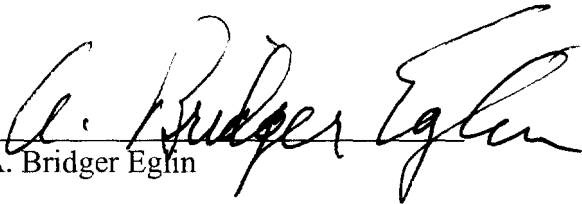
4. At the outset of the meeting, Mr. Henderson expressed his interest in acquiring Guaranty's Houma FM station (KCIL). His stated objective was to be able to capture the New Orleans market which he felt he could do from Houma.

5. Although we indicated satisfaction with our posture in Houma, there nevertheless followed some general fencing to establish possible value for Guaranty's Houma property. Someone from our group, I believe Mr. Kendrick, eventually suggested a possible sales price of \$6 million. Mr. Henderson indicated that \$2 million might be more in order.

6. From that point, as I recall, Mr. Henderson started talking about his ability to get what he wanted. It was in this context, I believe, that he discussed his proposals for new FM allotments at Amelia, Louisiana, and Tylertown, Mississippi, and his plan to switch frequencies with the existing station at Tylertown. Although most of my professional experience has been in banking and I am not yet fully familiar with the procedural intricacies of FM allotments and applications, I did understand Mr. Henderson to also say he had plans that could block any plans Guaranty had to modify either our Hammond or our Baker FM stations.

7. The shift of the conversation to other properties and away from the original focus of the meeting (namely, Houma) startled me somewhat. There was even a reference to Guaranty perhaps feeling like we might have swallowed a "chicken bone" which, seemed to me, to alter

the tone and purpose of the meeting significantly. The meeting concluded with no further substantive discussion.


A. Bridger Eglin

Dated: February 9, 1998

EXHIBIT D

Declaration of Randy W. Kendrick

I, Randy W. Kendrick, under penalty of perjury, hereby declare as follows:

1. I am the Treasurer of Guaranty Corporation ("Guaranty"), the parent company of Guaranty Broadcasting Corporation ("GBC") and Pearl Broadcasting, Inc. ("Pearl"). GBC is the licensee of Radio Stations WTGE(FM) [formerly WBBU(FM)], Baker, Louisiana; WDGL(FM) [formerly WGGZ(FM)], Baton Rouge, Louisiana; WXCT(FM) [formerly WTGE(FM)], Baton Rouge, Louisiana; KCIL(FM), Houma, Louisiana; and KJIN(AM), Houma, Louisiana. Pearl is the licensee of Radio Stations WFPR(AM), Hammond, Louisiana; WHMD(FM), Hammond, Louisiana; WBEX(AM), Chillicothe, Ohio; and WKKJ(FM), Chillicothe, Ohio. I have been with Guaranty since 1983.

2. On March 7, 1997, a Mr. Roy Henderson, who I had never previously met, visited Guaranty's offices in Baton Rouge, Louisiana. In addition to myself, the meeting with Mr. Henderson was attended by George A. Foster, Jr., the Chairman and Chief Executive Officer of Guaranty; A. Bridger Eglin, the President of Guaranty; and Greg Herpin, the General Manager of WTGE, WDGL, WXCT, WFPR and WHMD.

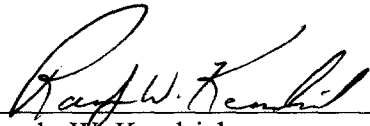
3. At the outset of the meeting, Mr. Henderson advised us that he was in the process of applying for new FM allotments at Amelia, Louisiana, and Tylertown, Mississippi. Mr. Henderson then described his plan to use the Amelia allotment as a means for moving a signal into the New Orleans market. Mr. Henderson said that after he obtained the proposed allotments, he thought he could persuade the licensee of Tylertown's existing FM station to change channels from Channel 249A to the new allotment, Channel 297A. As I understood his plan, this would then clear the way for the new Amelia station to upgrade its facilities from Channel 249C3 to 249C.

4. After laying out his plans for Amelia and Tylertown, Mr. Henderson stated that he was aware of Guaranty's plans to upgrade WTGE from Class A to Class C3 facilities and that his proposed allotment at Tylertown would prevent Guaranty from going forward with those plans. I further recall Mr. Henderson commenting to the effect that "we needed to work together," which I understood to mean himself and Guaranty. Mr. Henderson also seemed to imply that the Amelia allotment could adversely impact KCIL's competitive posture in the Houma market.

5. Mr. Henderson then advised us that he wanted to acquire KCIL and urged us to set a price. As I recall, Mr. Foster rather jokingly threw out a figure of \$8 million. Then, after repeated attempts by Mr. Henderson to elicit another quote, I volunteered a possible price of \$6 million. Mr. Henderson responded with "I'll give you \$2 million." Mr. Henderson then said that he would not go forward with the Amelia and Tylertown allotments if he could get KCIL "at a deal." I remarked that I could not understand why he would suggest that we work together while, at the same time, he was informing us of the damage he could do to Guaranty if we didn't sell him our station. There was also, as best I can recall, a brief discussion about how much potential value Guaranty might lose with its Baker FM station if Mr. Henderson were to pursue his Amelia/Tylertown plan and the Baker upgrade could not be completed.

6. Near the end of the meeting, I recall Mr. Henderson suggesting that we should mull over his offer but then saying something to the following effect: "I know what you feel like. It's like swallowing a chicken bone. It gets stuck in your throat, but I have always gotten what I want, and I'll get this. So get used to the feeling." Although Mr. Henderson's exact

words could have varied slightly, I am certain of the example used and my understanding of its intent. The meeting concluded with no further substantive discussion.



Randy W. Kendrick

Dated: February 9, 1998

EXHIBIT E

Declaration of Gregory Herpin

I, Gregory Herpin, under penalty of perjury, hereby declare as follows:

1. I am the General Manager of Radio Stations WTGE(FM) [formerly WBBU(FM)], Baker, Louisiana; WDGL(FM) [formerly WGGZ(FM)], Baton Rouge, Louisiana; WXCT(FM) [formerly WTGE(FM)], Baton Rouge, Louisiana; WFPR(AM), Hammond, Louisiana; and WHMD(FM), Hammond, Louisiana. Stations WTGE, WDGL and WXCT are licensed to Guaranty Broadcasting Corporation ("GBC"). Stations WFPR and WHMD are licensed to Pearl Broadcasting, Inc., which is a wholly-owned subsidiary of GBC. GBC is, in turn, a wholly-owned subsidiary of Guaranty Corporation ("Guaranty").

2. I have been the General Manager of the above-listed stations since July 1995. I started in the broadcast business in 1980 working as an on-air announcer. In 1984, I became General Manager of Radio Stations KMRC and KFXV, Morgan City, Louisiana. In 1987, I moved to Fort Collins, Colorado, to run Radio Station KTRR as its General Manager. From 1990 to June 1995, I was the General Manager of KRTY, San Jose, California.

3. On December 10, 1996, a Mr. Roy Henderson visited Guaranty's offices in Baton Rouge, Louisiana, and met with me and George A. Foster, Jr., the Chairman and Chief Executive Officer of Guaranty. I had no previous contact with Mr. Henderson. Mr. Henderson's son was also present at the December 10, 1996 meeting.

4. At the outset of the meeting, Mr. Henderson advised that he was interested in acquiring KCIL so as to move its facilities closer to the New Orleans market and program Spanish music. Mr. Henderson then advised us that he was aware of Guaranty's plans to relocate WHMD's transmitter site and upgrade WTGE from Class A to Class C3 facilities.

5. Mr. Henderson then stated that he was in the process of applying for new FM allotments at Amelia, Louisiana, and Tylertown, Mississippi. Mr. Henderson described his plan to use the Amelia allotment as a means for moving a signal into the New Orleans market. Mr. Henderson said that after he obtained the proposed allotments, he would persuade the licensee of Tylertown's existing FM station to change channels from Channel 249A to the new allotment, Channel 297A, thereby clearing the way for the Amelia station to upgrade its facilities from Channel 249C3 to 249C.

6. Mr. Henderson brought several engineering maps to the December 10, 1996 meeting. One of the maps detailed what the contours of Guaranty's WTGE would look like as a Class C3 facility. The other maps showed the proposed contours of the Amelia and Tylertown allotments. Mr. Henderson also brought specific spacing studies to show how the Tylertown allotment would block an upgrade of our WTGE. The maps and materials which Mr. Henderson left with me and Guaranty following the December 10, 1996 meeting are attached hereto.

7. When I asked Mr. Henderson what price he had in mind for the sale of KCIL, he responded by asking what the purchase price was of the last FM station sold in New Orleans. I told him that an FM station in Houma had recently sold for \$6.75 million. Mr. Henderson then said that that price could be a starting point for negotiations for KCIL.

8. I asked Mr. Henderson if KCIL would be his primary interest if he could have any signal potentially capable of moving into New Orleans. He said yes.

9. Mr. Foster and I then concluded the meeting by advising Mr. Henderson that we would discuss the KCIL matter with the other members of Guaranty. Mr. Henderson said he would be back in touch.